



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

1860(1951)

FmHA An No. 1860 (1951)

February 3, 1989

SUBJECT: Average Holding Period for Suitable Property.

TO: State Directors

PURPOSE/INTENDED OUTCOME

This AN clarifies paragraph (A)(3) of Exhibit I of FmHA Instruction 1951-S. The intent of this notice is to clarify which 597 report to be used for calculating the average holding period for suitable property in deriving a net recovery value for primary and preservation loan servicing programs.

COMPARISON WITH PREVIOUS AN:

No previous AN has been issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

The average holding period will be determined to be the average months in inventory for suitable properties, which have not yet been sold, as derived from report code 597, Farmer Program Inventory.

To implement the program the average holding period for suitable property for the state will be calculated from the October 1988 report code 597. Thereafter, the average holding period for the state will be determined annually in July from the most current report code 597.

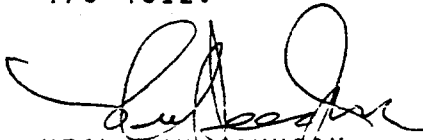
EXPIRATION DATE: December 31, 1989

FILING INSTRUCTIONS
Preceding FmHA
Instruction 1951-S



Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

If you have any questions, please contact Mr. David R. Spillman, FPLSD at FTS 475-4012 or commercial number (202) 475-4012.



NEAL SOX JOHNSON
Acting Administrator

Sent via electronic mail on 2/7/89 at 10:59 AM by DASD/IMPS.
State Directors, should advise other personnel as appropriate.